



# NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION

Statutory Financial Statements  
December 31, 2012

# Contents

---

## **Financial Statements**

Exhibit 1 - Balance Sheet	1
Exhibit 2 - Income Statement and Members' Account	2
Exhibit 3A - Members' Account	3
Exhibit 3B - Members' Account For Unsettled Years	4
Exhibit 4A - Statistical Report of Premiums	5
Exhibit 4B - Statistical Report of Losses	6 - 7
Exhibit 4C - Statistical Report of Loss Adjustment Expenses	8
Exhibit 6 - Report of Named Storm Losses	9
Aggregate Liability by Counties	10 - 11
<b>Notes to Statutory Financial Statements</b>	<b>12</b>

---

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
BALANCE SHEET  
AS OF DECEMBER 31, 2012

	LEDGER ASSETS	NON-LEDGER ASSETS	ASSETS NOT ADMITTED	ADMITTED ASSETS
<b>ASSETS</b>				
CASH	1,430,090			1,430,090
INVESTMENTS	20,885,923			20,885,923
INTEREST INCOME DUE OR ACCRUED	116,254			116,254
FIXED ASSETS	127,661		(127,661)	0
DATA PROCESSING EQUIPMENT	246,640			246,640
ACCOUNTS RECEIVABLE - OTHER	107,259			107,259
ACCOUNTS RECEIVABLE - SUBROGATION	8,788			8,788
ACCOUNTS RECEIVABLE - COMMISSION	17,067		(6,641)	10,426
ACCOUNTS RECEIVABLE - ASSESSMENTS	457		(457)	0
ACCOUNTS RECEIVABLE - LATE FEES	1,554		(1,554)	0
PREPAID EXPENSES	54,826		(54,826)	0
<b>TOTAL ASSETS</b>	<b>22,996,519</b>	<b>0</b>	<b>(191,139)</b>	<b>22,805,380</b>
<b>LIABILITIES &amp; MEMBERS' SURPLUS</b>				
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE				126,209
ACCOUNTS PAYABLE - FAIR PLAN				223,889
PAYROLL TAXES				401
PREMIUM SUSPENSE				427,277
PREMIUM REFUND				18,567
COMMISSION PAYABLE				92,008
ACCRUAL-PREMIUM TAX				420,969
ACCRUAL-POST RETIREMENT				764,120
ACCRUAL-PENSION				307,217
ACCRUAL-RENT				50,453
CLAIMS PAYABLE				20,354
PREPAID PREMIUMS				602,546
UNCLAIMED CHECKS				539,712
<b>TOTAL LIABILITIES</b>				<b>3,593,722</b>
<b>RESERVES FOR</b>				
UNPAID LOSSES (INCL. IBNR)				3,748,050
UNPAID LAE RESERVES				287,562
UNEARNED PREMIUMS				20,879,161
<b>TOTAL RESERVES</b>				<b>24,914,773</b>
MEMBERS' SURPLUS				(5,703,115)
<b>TOTAL LIABILITIES &amp; MEMBERS' SURPLUS</b>				<b>22,805,380</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
INCOME STATEMENT AND MEMBERS' ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2012

	YEAR TO DATE
<b>UNDERWRITING INCOME</b>	
PREMIUMS EARNED	9,176,103
CEDED REINSURANCE PREMIUM	2,890,630
NET PREMIUMS EARNED	6,285,473
<b>DEDUCTIONS</b>	
LOSSES INCURRED	3,611,253
LOSS EXPENSE INCURRED	340,244
OPERATING EXPENSE INCURRED	2,570,222
PREMIUM TAXES	292,140
TOTAL DEDUCTIONS	6,813,859
<b>OTHER INCOME</b>	
MISCELLANEOUS INCOME	(2,608)
NET UNDERWRITING GAIN OR (LOSS)	(530,994)
<b>INVESTMENT INCOME</b>	
INVESTMENT INCOME	132,903
NET INCOME OR (LOSS)	(398,091)
<b>MEMBERS' ACCOUNT</b>	
MEMBERS' SURPLUS (PRIOR PERIOD)	(5,189,581)
NET INCOME OR (LOSS)	(398,091)
CHANGE IN ASSETS NOT ADMITTED	(91,491)
ASSESSMENTS OR (DISTRIBUTIONS)	0
MINIMUM PENSION LIABILITY	(23,952)
INSOLVENT COMPANY	0
NET CHANGE IN MEMBERS' SURPLUS	(513,534)
MEMBERS' SURPLUS (CURRENT PERIOD)	(5,703,115)

The Aggregate Liability for the Association as of December 31, 2012 is \$7,925,346,725.

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2012

	YEAR TO DATE											TOTAL
	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	
<b>INCOME RECEIVED</b>												
PREMIUMS WRITTEN	10,121,869	342,179	0	0	0	0	0	0	0	0	0	10,464,048
CEDED REINSURANCE	0	(2,890,630)	0	0	0	0	0	0	0	0	0	(2,890,630)
INTEREST RECEIVED	132,903	0	0	0	0	0	0	0	0	0	0	132,903
MISCELLANEOUS INCOME	(2,608)	0	0	0	0	0	0	0	0	0	0	(2,608)
<b>TOTAL INCOME</b>	<b>10,252,164</b>	<b>(2,548,451)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,703,713</b>
<b>EXPENSES PAID</b>												
LOSSES	202,909	2,726,925	256,983	2,813	(1,040)	0	0	0	0	0	0	3,188,590
LOSS ADJUSTMENT EXPENSES	127,133	163,489	25,500	2,729	748	0	0	0	0	0	0	319,599
COMMISSION	1,498,262	51,327	0	0	0	0	0	0	0	0	0	1,549,589
PREMIUM TAX	292,140	0	0	0	0	0	0	0	0	0	0	292,140
ADMINISTRATIVE EXPENSES	1,020,633	0	0	0	0	0	0	0	0	0	0	1,020,633
<b>TOTAL EXPENSES PAID</b>	<b>3,141,077</b>	<b>2,941,741</b>	<b>282,483</b>	<b>5,542</b>	<b>(292)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,370,551</b>
<b>NET CASH CHANGE</b>	<b>7,111,087</b>	<b>(5,490,192)</b>	<b>(282,483)</b>	<b>(5,542)</b>	<b>292</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,333,162</b>
<b>RESERVES:</b>												
<b>DEDUCT: (CURRENT PERIOD)</b>												
LOSSES (INCL. IBNR.)	1,761,000	1,704,622	204,950	29,198	48,280	0	0	0	0	0	0	3,748,050
LOSS ADJUSTMENT EXPENSES	138,579	125,495	17,803	2,142	3,543	0	0	0	0	0	0	287,562
UNEARNED PREMIUMS	8,779,054	12,100,107	0	0	0	0	0	0	0	0	0	20,879,161
<b>ADD: (PRIOR PERIOD)</b>												
LOSSES (INCL. IBNR)	0	2,791,602	451,209	34,296	48,280	0	0	0	0	0	0	3,325,387
LOSS ADJUSTMENT EXPENSES	0	218,909	41,909	2,533	3,566	0	0	0	0	0	0	266,917
UNEARNED PREMIUMS	0	19,591,216	0	0	0	0	0	0	0	0	0	19,591,216
<b>NET RESERVE CHANGE</b>	<b>(10,678,633)</b>	<b>8,671,503</b>	<b>270,365</b>	<b>5,489</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,731,253)</b>
<b>NET OTHER CHANGES</b>												
MINIMUM PENSION LIABILITY	(23,952)	0	0	0	0	0	0	0	0	0	0	(23,952)
ASSETS NOT ADMITTED	(91,491)	0	0	0	0	0	0	0	0	0	0	(91,491)
<b>TOTAL NET OTHER CHANGES</b>	<b>(115,443)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(115,443)</b>
ASSESSMENTS	0	0	0	0	0	0	0	0	0	0	0	0
DISTRIBUTIONS	0	0	0	0	0	0	0	0	0	0	0	0
INSOLVENT MEMBER	0	0	0	0	0	0	0	0	0	0	0	0
<b>CHANGE IN MEMBERS' SURPLUS</b>	<b>(3,682,989)</b>	<b>3,181,311</b>	<b>(12,118)</b>	<b>(53)</b>	<b>315</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(513,534)</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
MEMBERS' ACCOUNT FOR UNSETTLED YEARS  
AS OF DECEMBER 31, 2012

	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	TOTAL
<b>INCOME RECEIVED</b>												
PREMIUMS WRITTEN	10,121,869	34,546,510	25,652,128	25,870,913	25,907,860	27,028,619	27,763,765	25,720,292	22,825,166	26,235,796	20,357,754	272,030,672
CEDED REINSURANCE	0	(8,707,459)	(11,874,590)	(10,479,060)	(7,223,316)	(7,122,013)	(2,973,092)	0	0	0	0	(48,379,530)
INTEREST RECEIVED	132,903	853,131	1,502,084	1,087,329	1,176,278	1,366,204	1,420,062	974,043	418,985	168,902	218,827	9,318,748
MISCELLANEOUS INCOME	(2,608)	(4,338)	32,118	29	7,794	5,940	11,056	(6,465)	(13,041)	(43,556)	2,946	(10,125)
<b>TOTAL INCOME</b>	<b>10,252,164</b>	<b>26,687,844</b>	<b>15,311,740</b>	<b>16,479,211</b>	<b>19,868,616</b>	<b>21,278,750</b>	<b>26,221,791</b>	<b>26,687,870</b>	<b>23,231,110</b>	<b>26,361,142</b>	<b>20,579,527</b>	<b>232,959,765</b>
<b>EXPENSES PAID</b>												
LOSSES	202,909	7,380,990	29,121,179	14,137,293	9,533,980	10,071,811	9,602,525	9,391,473	11,903,208	12,872,292	17,813,702	132,031,362
LOSS ADJUSTMENT EXPENSES	127,133	726,208	3,176,823	1,203,574	690,907	691,453	674,186	1,027,784	1,193,396	1,142,507	1,932,459	12,586,430
COMMISSION	1,498,262	5,125,999	3,790,105	3,816,885	3,815,409	3,987,012	4,070,567	3,777,738	3,296,157	3,803,425	2,956,416	39,937,975
PREMIUM TAX	292,140	952,649	697,226	706,604	714,852	744,613	743,482	699,572	701,486	655,512	583,115	7,491,251
ADMINISTRATIVE EXPENSES	1,020,633	2,762,867	2,413,922	2,270,960	2,428,623	2,450,882	2,011,767	3,033,088	3,118,977	3,074,619	3,018,670	27,605,008
<b>TOTAL EXPENSES PAID</b>	<b>3,141,077</b>	<b>16,948,713</b>	<b>39,199,255</b>	<b>22,135,316</b>	<b>17,183,771</b>	<b>17,945,771</b>	<b>17,102,527</b>	<b>17,929,655</b>	<b>20,213,224</b>	<b>21,548,355</b>	<b>26,304,362</b>	<b>219,652,026</b>
<b>NET CASH CHANGE</b>	<b>7,111,087</b>	<b>9,739,131</b>	<b>(23,887,515)</b>	<b>(5,656,105)</b>	<b>2,684,845</b>	<b>3,332,979</b>	<b>9,119,264</b>	<b>8,758,215</b>	<b>3,017,886</b>	<b>4,812,787</b>	<b>(5,724,835)</b>	<b>13,307,739</b>
<b>RESERVES:</b>												
<b>DEDUCT: (CURRENT PERIOD)</b>												
LOSSES (INCL. IBNR.)	1,761,000	1,704,622	204,950	29,198	48,280	0	0	0	0	0	0	3,748,050
LOSS ADJUSTMENT EXPENSES	138,579	125,495	17,803	2,142	3,543	0	0	0	0	0	0	287,562
UNEARNED PREMIUMS	8,779,054	12,100,107	0	0	0	0	0	0	0	0	0	20,879,161
<b>RESERVES</b>	<b>10,678,633</b>	<b>13,930,224</b>	<b>222,753</b>	<b>31,340</b>	<b>51,823</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,914,773</b>
<b>NET OTHER CHANGES</b>												
ASSETS NOT ADMITTED	(91,491)	(3,311)	102,126	55,667	139,644	(137,890)	(130,305)	4,470	4,481	158,368	(164,952)	(63,193)
PRIOR PERIOD ADJUSTMENT	0	0	0	0	0	0	0	0	(387,591)	69,869	0	(317,722)
MINIMUM PENSION LIABILITY	(23,952)	(78,446)	(49,606)	97,618	(191,430)	0	0	0	0	(27,883)	39,635	(234,064)
<b>TOTAL NET OTHER CHANGES</b>	<b>(115,443)</b>	<b>(81,757)</b>	<b>52,520</b>	<b>153,285</b>	<b>(51,786)</b>	<b>(137,890)</b>	<b>(130,305)</b>	<b>4,470</b>	<b>(383,110)</b>	<b>200,354</b>	<b>(125,317)</b>	<b>(614,979)</b>
ASSESSMENTS	0	0	0	0	0	0	5,943,196	0	0	0	17,748,447	23,691,643
DISTRIBUTIONS	0	0	0	0	0	0	(5,943,196)	(10,690)	(4,664)	(11,615)	(11,203,805)	(17,173,970)
INSOLVENT MEMBERS	0	0	0	0	0	0	0	0	0	14,917	(13,692)	1,225
<b>MEMBERS' SURPLUS</b>	<b>(3,682,989)</b>	<b>(4,272,850)</b>	<b>(24,057,748)</b>	<b>(5,534,160)</b>	<b>2,581,236</b>	<b>3,195,089</b>	<b>8,988,959</b>	<b>8,751,995</b>	<b>2,630,112</b>	<b>5,016,443</b>	<b>680,798</b>	<b>(5,703,115)</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF PREMIUMS  
AS OF DECEMBER 31, 2012

	YEAR TO DATE		
	2012 SP <sup>1</sup>	2012	TOTAL
<b>PREMIUMS WRITTEN</b>			
RESIDENTIAL - FIRE	4,842,335	154,590	4,996,925
RESIDENTIAL - EC	4,918,607	125,375	5,043,982
COMMERCIAL - FIRE	118,052	24,768	142,820
COMMERCIAL - EC	160,933	31,947	192,880
CRIME - RESIDENTIAL	81,942	5,499	87,441
CRIME - COMMERCIAL	0	0	0
<b>TOTAL</b>	<b>10,121,869</b>	<b>342,179</b>	<b>10,464,048</b>
<b>UNEARNED PREMIUMS (PRIOR PERIOD)</b>			
RESIDENTIAL - FIRE	0	8,968,588	8,968,588
RESIDENTIAL - EC	0	9,753,517	9,753,517
COMMERCIAL - FIRE	0	308,734	308,734
COMMERCIAL - EC	0	385,615	385,615
CRIME - RESIDENTIAL	0	174,117	174,117
CRIME - COMMERCIAL	0	645	645
<b>TOTAL</b>	<b>0</b>	<b>19,591,216</b>	<b>19,591,216</b>
<b>UNEARNED PREMIUMS (CURRENT PERIOD)</b>			
RESIDENTIAL - FIRE	4,200,036	5,558,193	9,758,229
RESIDENTIAL - EC	4,265,574	5,985,787	10,251,361
COMMERCIAL - FIRE	102,685	196,401	299,086
COMMERCIAL - EC	139,880	254,778	394,658
CRIME - RESIDENTIAL	70,879	104,611	175,490
CRIME - COMMERCIAL	0	337	337
<b>TOTAL</b>	<b>8,779,054</b>	<b>12,100,107</b>	<b>20,879,161</b>
<b>EARNED PREMIUMS</b>			
RESIDENTIAL - FIRE	642,299	3,564,985	4,207,284
RESIDENTIAL - EC	653,033	3,893,105	4,546,138
COMMERCIAL - FIRE	15,367	137,101	152,468
COMMERCIAL - EC	21,053	162,784	183,837
CRIME - RESIDENTIAL	11,063	75,005	86,068
CRIME - COMMERCIAL	0	308	308
<b>TOTAL</b>	<b>1,342,815</b>	<b>7,833,288</b>	<b>9,176,103</b>
<b>CEDED REINSURANCE PREMIUM</b>			
RESIDENTIAL - FIRE	0	0	0
RESIDENTIAL - EC	0	2,789,204	2,789,204
COMMERCIAL - FIRE	0	0	0
COMMERCIAL - EC	0	101,426	101,426
CRIME - RESIDENTIAL	0	0	0
CRIME - COMMERCIAL	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>2,890,630</b>	<b>2,890,630</b>
<b>NET EARNED PREMIUMS</b>			
RESIDENTIAL - FIRE	642,299	3,564,985	4,207,284
RESIDENTIAL - EC	653,033	1,103,901	1,756,934
COMMERCIAL - FIRE	15,367	137,101	152,468
COMMERCIAL - EC	21,053	61,358	82,411
CRIME - RESIDENTIAL	11,063	75,005	86,068
CRIME - COMMERCIAL	0	308	308
<b>TOTAL</b>	<b>1,342,815</b>	<b>4,942,658</b>	<b>6,285,473</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSSES  
FOR THE YEAR ENDED DECEMBER 31, 2012

YEAR TO DATE

	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	TOTAL
<b>PAID LOSSES</b>							
RESIDENTIAL - FIRE	195,542	1,817,819	48,495	4,373	(1,040)	0	2,065,189
RESIDENTIAL - EC	7,367	878,201	91,202	(1,560)	0	0	975,210
COMMERCIAL - FIRE	0	8,211	0	0	0	0	8,211
COMMERCIAL - EC	0	2,658	116,047	0	0	0	118,705
CRIME - RESIDENTIAL	0	20,036	1,239	0	0	0	21,275
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>202,909</b>	<b>2,726,925</b>	<b>256,983</b>	<b>2,813</b>	<b>(1,040)</b>	<b>0</b>	<b>3,188,590</b>
<b>OUTSTANDING LOSSES (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	1,303,736	1,186,682	71,077	24,099	36,279	0	2,621,873
RESIDENTIAL - EC	370,284	438,747	58,675	5,099	12,001	0	884,806
COMMERCIAL - FIRE	1,988	4,297	0	0	0	0	6,285
COMMERCIAL - EC	36,502	8,698	70,198	0	0	0	115,398
CRIME - RESIDENTIAL	48,490	66,198	5,000	0	0	0	119,688
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,761,000</b>	<b>1,704,622</b>	<b>204,950</b>	<b>29,198</b>	<b>48,280</b>	<b>0</b>	<b>3,748,050</b>
<b>OUTSTANDING LOSSES (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	0	1,446,081	154,509	25,000	48,280	0	1,673,870
RESIDENTIAL - EC	0	1,213,072	88,700	9,296	0	0	1,311,068
COMMERCIAL - FIRE	0	72,114	193,000	0	0	0	265,114
COMMERCIAL - EC	0	6,827	0	0	0	0	6,827
CRIME - RESIDENTIAL	0	53,508	15,000	0	0	0	68,508
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>2,791,602</b>	<b>451,209</b>	<b>34,296</b>	<b>48,280</b>	<b>0</b>	<b>3,325,387</b>
<b>INCURRED LOSSES</b>							
RESIDENTIAL - FIRE	1,499,278	1,558,420	(34,937)	3,472	(13,041)	0	3,013,192
RESIDENTIAL - EC	377,651	103,876	61,177	(5,757)	12,001	0	548,948
COMMERCIAL - FIRE	1,988	(59,606)	(193,000)	0	0	0	(250,618)
COMMERCIAL - EC	36,502	4,529	186,245	0	0	0	227,276
CRIME - RESIDENTIAL	48,490	32,726	(8,761)	0	0	0	72,455
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,963,909</b>	<b>1,639,945</b>	<b>10,724</b>	<b>(2,285)</b>	<b>(1,040)</b>	<b>0</b>	<b>3,611,253</b>



NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSSES  
FOR THE YEAR ENDED DECEMBER 31, 2012

IBNR TOTALS

	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	TOTAL
<b>IBNR (CURRENT PERIOD)</b>							
RESIDENTIAL - FIRE	901,725	0	0	0	0	0	901,725
RESIDENTIAL - EC	304,306	0	0	0	0	0	304,306
COMMERCIAL - FIRE	1,988	0	0	0	0	0	1,988
COMMERCIAL - EC	36,502	0	0	0	0	0	36,502
CRIME - RESIDENTIAL	38,490	0	0	0	0	0	38,490
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>1,283,011</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,283,011</b>
<b>IBNR (PRIOR PERIOD)</b>							
RESIDENTIAL - FIRE	0	434,306	0	0	0	0	434,306
RESIDENTIAL - EC	0	340,172	0	0	0	0	340,172
COMMERCIAL - FIRE	0	67,114	0	0	0	0	67,114
COMMERCIAL - EC	0	1,728	0	0	0	0	1,728
CRIME - RESIDENTIAL	0	17,211	0	0	0	0	17,211
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>860,531</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>860,531</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2012

YEAR TO DATE

	2012 SP <sup>1</sup>	2012	2011	2010	2009	2008	TOTAL
<b>LOSS EXPENSES PAID</b>							
RESIDENTIAL - FIRE	50,641	67,164	3,104	1,405	748	0	123,062
RESIDENTIAL - EC	62,254	84,375	11,359	1,324	0	0	159,312
COMMERCIAL - FIRE	546	882	0	0	0	0	1,428
COMMERCIAL - EC	7,288	729	11,037	0	0	0	19,054
CRIME - RESIDENTIAL	6,404	10,339	0	0	0	0	16,743
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>127,133</b>	<b>163,489</b>	<b>25,500</b>	<b>2,729</b>	<b>748</b>	<b>0</b>	<b>319,599</b>
<b>UNPAID LOSS EXPENSE (CURRENT PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	102,254	87,074	5,215	1,768	2,662	0	198,973
RESIDENTIAL - EC	29,394	32,194	4,305	374	881	0	67,148
COMMERCIAL - FIRE	160	485	0	0	0	0	645
COMMERCIAL - EC	2,946	982	7,924	0	0	0	11,852
CRIME - RESIDENTIAL	3,825	4,760	359	0	0	0	8,944
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>138,579</b>	<b>125,495</b>	<b>17,803</b>	<b>2,142</b>	<b>3,543</b>	<b>0</b>	<b>287,562</b>
<b>UNPAID LOSS EXPENSE (PRIOR PERIOD INCL. IBNR)</b>							
RESIDENTIAL - FIRE	0	113,068	11,411	1,846	3,566	0	129,891
RESIDENTIAL - EC	0	94,501	6,551	687	0	0	101,739
COMMERCIAL - FIRE	0	6,518	22,895	0	0	0	29,413
COMMERCIAL - EC	0	758	0	0	0	0	758
CRIME - RESIDENTIAL	0	4,064	1,052	0	0	0	5,116
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>218,909</b>	<b>41,909</b>	<b>2,533</b>	<b>3,566</b>	<b>0</b>	<b>266,917</b>
<b>INCURRED LOSS EXPENSE</b>							
RESIDENTIAL - FIRE	152,895	41,170	(3,092)	1,327	(156)	0	192,144
RESIDENTIAL - EC	91,648	22,068	9,113	1,011	881	0	124,721
COMMERCIAL - FIRE	706	(5,151)	(22,895)	0	0	0	(27,340)
COMMERCIAL - EC	10,234	953	18,961	0	0	0	30,148
CRIME - RESIDENTIAL	10,229	11,035	(693)	0	0	0	20,571
CRIME - COMMERCIAL	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>265,712</b>	<b>70,075</b>	<b>1,394</b>	<b>2,338</b>	<b>725</b>	<b>0</b>	<b>340,244</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
REPORT OF NAMED STORM LOSSES  
AS OF DECEMBER 31, 2012

CAT NUMBER	POLICY YEAR	CAT DATE	BUSINESS	LOSSES		ALLOCATED CLAIMS EXPENSE	
				OUTSTANDING	PAID	OUTSTANDING	PAID
<b>IRENE</b>							
59	10/01/09 09/30/10	08/26/11 08/28/11	HABITATIONAL	0	1,583,189	0	215,957
59	10/01/09 09/30/10	08/26/11 08/28/11	COMMERCIAL	0	66,094	0	4,516
			<b>TOTAL</b>	<b>0</b>	<b>1,649,283</b>	<b>0</b>	<b>220,473</b>
59	10/01/10 09/30/11	08/26/11 08/28/11	HABITATIONAL	0	17,319,904	0	2,149,506
59	10/01/10 09/30/11	08/26/11 08/28/11	COMMERCIAL	70,000	694,316	7,000	77,452
			<b>TOTAL</b>	<b>70,000</b>	<b>18,014,220</b>	<b>7,000</b>	<b>2,226,958</b>
			<b>TOTAL IRENE</b>	<b>70,000</b>	<b>19,663,503</b>	<b>7,000</b>	<b>2,447,431</b>
<b>BERYL</b>							
20	10/01/10 09/30/11	05/29/12 05/31/12	HABITATIONAL	0	61,799	0	5,762
			<b>TOTAL</b>	<b>0</b>	<b>61,799</b>	<b>0</b>	<b>5,762</b>
20	10/01/11 09/30/12	05/29/12 05/31/12	HABITATIONAL	0	245,123	0	16,589
			<b>TOTAL</b>	<b>0</b>	<b>245,123</b>	<b>0</b>	<b>16,589</b>
			<b>TOTAL BERYL</b>	<b>0</b>	<b>306,922</b>	<b>0</b>	<b>22,351</b>
<b>SANDY</b>							
90	10/01/11 09/30/12	10/26/12 10/31/12	HABITATIONAL	61,135	194,333	6,114	28,553
90	10/01/11 09/30/12	10/26/12 10/31/12	COMMERCIAL	0	1,859	0	360
			<b>TOTAL</b>	<b>61,135</b>	<b>196,192</b>	<b>6,114</b>	<b>28,913</b>
90	10/01/12 12/31/12	10/26/12 10/31/12	HABITATIONAL	8,597	4,787	860	1,268
			<b>TOTAL</b>	<b>8,597</b>	<b>4,787</b>	<b>860</b>	<b>1,268</b>
			<b>TOTAL SANDY</b>	<b>69,732</b>	<b>200,980</b>	<b>6,973</b>	<b>30,181</b>

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF DECEMBER 31, 2012

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
ALAMANCE	58,071,292	648	8,820,741	10	66,892,033	658
ALEXANDER	17,117,159	213	2,100,000	5	19,217,159	218
ALLEGHANY	5,658,915	65	20,000	1	5,678,915	66
ANSON	23,924,960	427	1,490,500	6	25,415,460	433
ASHE	17,884,500	184	30,200	2	17,914,700	186
AVERY	10,453,520	114	0	0	10,453,520	114
BEAUFORT	116,902,919	1,577	6,830,974	44	123,733,893	1,621
BERTIE	48,508,189	772	2,072,100	29	50,580,289	801
BLADEN	85,433,529	1,522	2,094,000	23	87,527,529	1,545
BRUNSWICK	658,390,753	8,600	5,739,800	50	664,130,553	8,650
BUNCOMBE	44,465,819	517	2,074,000	10	46,539,819	527
BURKE	34,434,603	401	979,000	6	35,413,603	407
CABARRUS	41,898,202	451	887,000	3	42,785,202	454
CALDWELL	39,029,762	564	636,200	6	39,665,962	570
CAMDEN	27,610,119	254	311,600	6	27,921,719	260
CARTERET	281,698,767	3,833	6,813,783	38	288,512,550	3,871
CASWELL	11,200,528	205	432,000	7	11,632,528	212
CATAWBA	58,408,368	754	3,693,100	18	62,101,468	772
CHATHAM	25,806,778	327	162,000	4	25,968,778	331
CHEROKEE	9,746,760	101	713,860	7	10,460,620	108
CHOWAN	30,933,643	336	378,000	5	31,311,643	341
CLAY	8,535,862	64	0	0	8,535,862	64
CLEVELAND	57,320,507	588	1,505,500	7	58,826,007	595
COLUMBUS	180,632,928	3,171	5,744,700	40	186,377,628	3,211
CRAVEN	164,473,977	1,841	4,213,393	30	168,687,370	1,871
CUMBERLAND	250,135,686	3,079	8,213,920	57	258,349,606	3,136
CURRITUCK	83,184,622	916	2,636,718	19	85,821,340	935
DARE	78,506,407	710	8,675,648	33	87,182,055	743
DAVIDSON	61,650,038	792	3,094,750	21	64,744,788	813
DAVIE	9,745,183	106	0	0	9,745,183	106
DUPLIN	106,801,949	1,578	3,036,410	33	109,838,359	1,611
DURHAM	87,168,381	876	6,549,328	19	93,717,709	895
EDGECOMBE	75,554,972	1,046	5,027,764	21	80,582,736	1,067
FORSYTH	109,683,461	1,038	4,962,333	26	114,645,794	1,064
FRANKLIN	30,246,476	467	424,800	8	30,671,276	475
GASTON	95,234,493	1,167	9,826,327	35	105,060,820	1,202
GATES	26,430,402	335	558,000	4	26,988,402	339
GRAHAM	3,491,000	33	64,000	1	3,555,000	34
GRANVILLE	14,104,645	191	829,000	2	14,933,645	193
GREENE	35,377,849	442	1,771,000	11	37,148,849	453
GUILFORD	138,176,907	1,509	15,210,692	57	153,387,599	1,566
HALIFAX	106,722,877	1,562	4,855,900	57	111,578,777	1,619
HARNETT	119,423,735	1,580	1,219,500	17	120,643,235	1,597
HAYWOOD	20,224,801	228	741,200	6	20,966,001	234
HENDERSON	18,031,130	186	284,200	3	18,315,330	189
HERTFORD	38,142,366	533	2,083,600	10	40,225,966	543
HOKE	55,394,074	847	1,838,400	14	57,232,474	861
HYDE	12,938,210	218	1,584,205	13	14,522,415	231
IREDELL	52,263,581	625	1,294,040	9	53,557,621	634
JACKSON	21,307,448	200	1,602,000	3	22,909,448	203
JOHNSTON	157,499,324	2,020	5,775,350	63	163,274,674	2,083
JONES	18,799,836	335	547,000	7	19,346,836	342
LEE	27,623,472	337	110,200	4	27,733,672	341

NORTH CAROLINA JOINT UNDERWRITING ASSOCIATION  
FAIR PLAN  
AS OF DECEMBER 31, 2012

AGGREGATE LIABILITY BY COUNTIES

COUNTY	RESIDENTIAL		COMMERCIAL		TOTAL	
	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT	FAIR LIABILITY *	FAIR COUNT
LENOIR	112,581,783	1,615	5,629,131	43	118,210,914	1,658
LINCOLN	30,665,165	341	293,500	5	30,958,665	346
MCDOWELL	22,296,122	322	100,200	2	22,396,322	324
MACON	16,062,279	173	180,000	1	16,242,279	174
MADISON	9,417,950	122	822,000	3	10,239,950	125
MARTIN	69,213,876	861	2,815,900	35	72,029,776	896
MECKLENBURG	123,566,959	1,043	5,430,000	19	128,996,959	1,062
MITCHELL	16,661,946	172	0	0	16,661,946	172
MONTGOMERY	30,693,925	533	208,500	3	30,902,425	536
MOORE	34,473,081	462	1,682,000	5	36,155,081	467
NASH	112,012,315	1,364	4,095,000	13	116,107,315	1,377
NEW HANOVER	659,053,553	5,432	7,807,301	39	666,860,854	5,471
NORTHAMPTON	45,133,776	681	694,166	13	45,827,942	694
ONslow	345,868,325	4,363	10,042,900	55	355,911,225	4,418
ORANGE	23,573,207	213	989,500	3	24,562,707	216
PAMLICO	41,738,917	601	2,904,000	8	44,642,917	609
PASQUOTANK	83,597,325	926	1,756,160	20	85,353,485	946
PENDER	165,156,718	2,366	1,947,000	18	167,103,718	2,384
PERQUIMANS	36,411,260	384	476,500	6	36,887,760	390
PERSON	17,344,315	275	781,162	10	18,125,477	285
PITT	257,333,745	2,526	13,734,208	46	271,067,953	2,572
POLK	8,182,600	93	0	0	8,182,600	93
RANDOLPH	43,944,034	532	1,713,600	14	45,657,634	546
RICHMOND	56,462,105	1,081	2,054,054	27	58,516,159	1,108
ROBESON	320,579,711	6,211	9,478,400	92	330,058,111	6,303
ROCKINGHAM	51,965,356	831	2,242,000	22	54,207,356	853
ROWAN	58,066,389	581	2,265,600	6	60,331,989	587
RUTHERFORD	32,760,493	382	779,500	6	33,539,993	388
SAMPSON	116,959,763	1,740	1,413,222	23	118,372,985	1,763
SCOTLAND	36,644,397	665	1,620,800	8	38,265,197	673
STANLEY	21,385,551	277	1,645,000	2	23,030,551	279
STOKES	11,800,085	168	340,000	4	12,140,085	172
SURRY	35,704,250	557	1,365,668	19	37,069,918	576
SWAIN	16,794,664	131	28,000	1	16,822,664	132
TRANSYLVANIA	5,429,050	53	0	0	5,429,050	53
TYRRELL	11,322,468	180	2,479,050	7	13,801,518	187
UNION	51,373,448	502	4,353,600	6	55,727,048	508
VANCE	41,587,015	727	369,500	7	41,956,515	734
WAKE	174,811,219	1,442	27,094,061	34	201,905,280	1,476
WARREN	18,763,844	337	1,465,000	8	20,228,844	345
WASHINGTON	27,180,063	355	747,000	10	27,927,063	365
WATAUGA	21,375,525	143	1,589,000	3	22,964,525	146
WAYNE	154,136,115	2,296	6,326,280	55	160,462,395	2,351
WILKES	34,966,237	508	525,000	8	35,491,237	516
WILSON	92,204,781	1,214	4,648,835	54	96,853,616	1,268
YADKIN	13,598,752	214	103,500	3	13,702,252	217
YANCY	14,467,050	185	25,000	1	14,492,050	186
	<u>7,637,727,191</u>	<u>96,665</u>	<u>287,619,534</u>	<u>1,677</u>	<u>7,925,346,725</u>	<u>98,342</u>

\* Based upon the total Building and Personal Property amounts. Dwelling " other coverages," which are additional amounts of insurance based upon Coverage A and Commercial policy extensions of coverage, are not factored into this amount.

# North Carolina Joint Underwriting Association

## Notes To Statutory Financial Statements

---

### Note 1. Change in Fiscal Year End

On May 16, 2013, the Board of Directors of the Association approved a change in the Association's fiscal year end from September 30 to December 31 of each year. This change to the calendar year reporting cycle began January 1, 2013. As a result of the change, the Association had a three month transition period from October 1, 2012 through December 31, 2012, the results of which will be separately reported and classified as a short period (SP).